CONNAL

RECEIVED

JAN 3 1 1992

Before the COMMUNICATIONS COMMISSION

Federal Communications Commission Office of the Secretary

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of Advanced Television Systems and Their Impact upon the Existing Television Broadcast Service

MM Docket No. 87-268

## REPLY COMMENTS OF TRIBUNE BROADCASTING COMPANY

Tribune Broadcasting Company ("Tribune")<sup>1</sup>, by its attorneys, hereby submits its Reply Comments in response to the Commission's Notice of Proposed Rulemaking, in the above-captioned docket (FCC 91-337, released November 8, 1991) ("Notice"). Tribune is a signatory to the Joint Broadcaster Comments ("Broadcasters"), and supports the positions set forth therein. In addition, Tribune offers the following views concerning the concept of service maximization as discussed in Broadcasters' Comments.

Tribune agrees with Broadcasters that the Commission should adopt an ATV channel assignment plan that assures "that all local stations can provide maximum HDTV coverage without causing interference to current areas of NTSC coverage."

Broadcasters' Comments at 5-6. Such a channel pairing plan should be "based to the greatest extent feasible on technical and

Through wholly-owned subsidiaries, Tribune owns and operates the following commercial television stations: WPIX(TV), New York, New York; KTLA(TV), Los Angeles, California; WGN-TV, Chicago, Illinois; WGNX(TV), Atlanta, Georgia; KWGN-TV, Denver, Colorado; and WGNO(TV), New Orleans, Louisiana.

engineering considerations that optimize HDTV allotments and maximize service to broadcasters' audiences." Id. at 4.

In addition, Tribune believes that in seeking to maximize HDTV coverage, the Commission should ensure that each existing NTSC licensee is assigned an ATV channel which, at a minimum, replicates the licensee's existing NTSC service area. This is critical, Tribune believes, in order to facilitate conversion to ATV service while avoiding disruption in television service to existing viewers.

Replication of existing coverage areas is a necessary implication of the Commission's tentative determination that ATV is not a new service, but rather a means of preserving and improving existing broadcast service and the benefits that it delivers to the public. Notice at ¶ 5 (citing Tentative Decision and Further Notice of Inquiry, 3 FCC Rcd. 6520, 6537 (1988)). Indeed, the Commission's tentative proposal to assign an ATV channel to each existing television licensee would lose much of its force if the Commission does not, at the same time, ensure each licensee that it will not forfeit coverage area as it converts to ATV operation.

Television revenue, and thus station value, is in part a function of the coverage area of the particular station. If stations are not guaranteed, at a minimum, coverage equal to their present NTSC reach, conversion to ATV operation not only will involve substantial expenses but also a loss of revenue and station value as the station's coverage area shrinks. Thus, the economic incentives for prompt initiation of ATV service would be

significantly reduced, if not eliminated, in the case of many stations.

The impact upon stations with relatively large service areas would be particularly acute. The television industry and the Commission are depending upon the financial resources and experience of larger stations to lead the industry through the transition from NTSC to HDTV.<sup>2</sup> To the extent that those stations are less inclined to move rapidly into ATV service, the transition will be slowed for the entire industry, thus delaying access to this valuable new service by the viewing public.

In proposing a period during which television signals will be simulcast in both NTSC and ATV formats, the Commission has recognized the importance of avoiding disruption in service and providing a smooth transition from NTSC to ATV. See Notice ¶ 45. However, even though a station's viewers may continue to receive the station's NTSC signal during the transition period, the purposes underlying the proposed simulcasting requirement will not be fully served if all viewers cannot also receive the same programming in an ATV format.

If viewers cannot receive HDTV programming from stations they are accustomed to watching, there will be less

As the Commission observes, the larger stations located in the larger markets will most likely be the first to construct and operate HDTV facilities. Notice at ¶ 14 n.33. As the larger stations purchase HDTV transmitting equipment, large scale production economies will develop causing a reduction in the purchase price of HDTV transmitting equipment and making it more affordable for smaller stations. However, if larger stations no longer have as great an incentive to implement HDTV, the growth of production economies will be retarded, and fewer stations may be able to afford HDTV transmitting equipment.

reason for them to invest in new HDTV receivers. This will slow growth in audience demand for the new technology and result in a considerably longer phase-in period. Conversely, if viewers can receive their existing programming in an improved HDTV format, they will be inclined to purchase HDTV receivers more quickly, thus building the available audience for ATV service and facilitating the transition to full ATV service.

Moreover, if NTSC service is phased out at the end of the transition period and a station's ATV coverage area is not at least as good as that provided by its current NTSC operation, service will be disrupted to those viewers beyond the station's ATV contour, who no longer will be able to receive the station's signal.

Thus, Tribune opposes the adoption of any ATV channel assignment plan which has as its purpose or effect a reduction in coverage by any existing broadcaster -- unless such a plan is the only possible way of providing each television station with an ATV channel. As demonstrated above, adoption of such a plan would not be in the public interest and would be fundamentally inconsistent with the Commission's goal of facilitating prompt implementation of ATV technology.

## CONCLUSION

Tribune fully supports a channel pairing assignment plan based on engineering considerations that seek to optimize HDTV channel allotments and maximize coverage area. In maximizing coverage area, however, the Commission should also ensure that existing broadcasters have HDTV coverage areas that

are at least equal to their existing NTSC coverage areas.

Tribune believes this will maximize the incentives for the public and the television industry to convert swiftly to full HDTV operation.

Respectfully submitted,

TRIBUNE BROADCASTING COMPANY

By:

Robert A. Beizer Craig J. Blakeley Lee J. Tiedrich

SIDLEY & AUSTIN 1722 Eye Street, N.W. Washington, D.C. 20006 (202) 736-8000

Its Attorneys

January 31, 1992